



# City of Loma Linda Official Report

Robert Ziprick, Chairman  
Stan Brauer, Vice Chairman  
Floyd Petersen, Board Member  
Robert Christman, Board Member  
Karen Gaio, Board Member

CRA AGENDA: January 11, 2005  
TO: Agency Board Members  
FROM: Pamela Byrnes-O'Camb, Secretary  
SUBJECT: Minutes of November 9 and 16; December 14, 2004

## **RECOMMENDATION**

It is recommended that the Agency Board approve the Minutes of November 9 and 16 as well as December 14, 2004.

Loma Linda Redevelopment Agency

Minutes

Regular Meeting of November 9, 2004

A regular meeting of the Redevelopment Agency was called to order by Chairman Ziprick at 5:30 p.m., Tuesday, November 9, 2004, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:

Robert Ziprick, Chairman  
Robert Christman  
Floyd Petersen  
Karen Gaio Hansberger

Councilman Absent:

Stan Brauer, Vice-Chairman

Others Present:

Executive Director Dennis Halloway  
General Counsel Richard E. Holdaway

**CRA-2004-059- Closed Session – Conference with Legal Counsel and Real Property Negotiator  
(Government Code Section 54956.8)**

Property: 10806 Poplar Street and a 2.5 acre parcel fronting Redlands Boulevard  
near Rhonda Street  
Negotiating parties: Dennis Halloway, Shirou Kunihiro  
Under Negotiation: Price and terms of payment

General Counsel Holdaway stated that the Agency Board met with its Negotiator and gave direction. There was no final action to report.

**Scheduled and Related Items**

CC-2004-135

**CRA-2004-060 – Joint meeting of the City Council and Redevelopment Agency regarding  
presentation of the June 30, 2004 Audit Reports**

The Redevelopment Agency was called to order. Vice-Chairman Brauer was absent.

Mayor Hansberger stated that prior to the public meeting, she and Councilman Christman met as the Audit Committee with Don Parker of the auditing firm of Lance, Soll & Lunghard as well as the City Manager and Finance Director to review the audit report. She complimented staff in controlling costs and for their diligence in providing records to the auditors so that the audit could be completed at an early date.

Finance Director DeAnda introduced Don Parker, who presented the GASB 34 Edition of the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2004, summarizing as follows:

- 1) The City obtained an unqualified clean opinion on its financial statements, in that the statements fairly present the results of operations in accordance with generally accepted accounting principals, and the operations, from an internal control standpoint, were controlled and the controls functioned.
- 2) Operations were reviewed to determine if there were any major internal control weaknesses, and no major weaknesses were found. Minor items were referred to the Finance Department for corrective action for which his firm conducts a follow up.
- 3) The City's General Fund pertains to unrestricted revenue accumulated to pay general operations of the City. It is the only fund in the City that is generally unrestricted and used for public services.
- 4) The presentation covered three years, 2002 through 2004 relating to cash and investments, assets and liabilities, and equity.
- 5) Between 2003 and 2004, total cash increased by \$257,000; total increases were consistent and overall change between the years relating to fund equity amounted to \$5,000.
- 6) The City's General Fund currently had \$485,000 in reserve, which was committed to purchase orders and other issues pending payment; the remaining portion of \$2.7 million was available for the budgeting cycle of 2004-2005.
- 7) The State took money from cities and so the revenue and expenditures were more closely aligned than in previous years. It was more difficult for cities to obtain additional revenue sources and so cities ensured that their budgets for expenditures were very close to their projected revenue.
- 8) Proposition 1A, approved by the voters in November, prohibits the State from taking money from the cities.

- 9) Fund equity was consistent during the past two years - \$3.289 million to \$2.384 million.
- 10) The Redevelopment Agency incurred more change than in previous years. In 2003 all governmental entities were mandated to implement a pronouncement called GASB 34 (Governmental Accounting Standards Board) and adopt a new reporting format. In that process, substantial adjustments to recordkeeping were necessary.
- 11) The reporting for 2004 was in full conformance to GASB 34.
- 12) Cash decreased between 2003 and 2004 by \$1.3 million; however at present the balance was \$7.9 million. He noted that cash is declared at a specific point in time and is subject to change, based upon payments due and incoming revenue.
- 13) The total change of assets and liabilities during that period went from \$909,000 to \$1.6 million, so there was an increase in equity of \$714,000.
- 14) Most of the changes were due to GASB 34 or the bonds issued by the Agency, so there were large amounts of revenue last year when bond proceeds were received and large amounts of expenditures when previous bonds were retired.
- 15) The State also took funds from the Agency for the Educational Revenue Augmentation Fund (ERAF), to pay State obligations to the schools. That taking was expected to continue for a number of years.
- 16) Redevelopment Agencies function in an indebtedness situation. In order for redevelopment agencies to obtain their property tax, they have to be in debt.
- 17) The Financial Statements were of award quality and would be submitted for the award programs in California.

Councilman Christman also complimented the Finance Staff on receiving a clean opinion.

**Motion by Christman, seconded by Ziprick and carried to receive the fiscal year 2003-2004 audit report.**

The Agency recessed to allow completion of the City Council agenda and reconvened at 9:15 p.m. with all members present except Vice-Chairman Brauer.

No items were added or deleted, no public participation comments were offered upon invitation of the Chair, and no conflicts of interest were noted.

**General**

**CRA-2004-061 – Minutes of October 26, 2004**

**Motion by Petersen, seconded by Christman and carried to approve the Minutes of October 26 as presented. Brauer absent.**

The meeting adjourned at 9:16 p.m. to 6:00 p.m. Tuesday, November 16 for a closed session to occur subsequent to the City Council workshop. A separate agenda would be posted.

Approved at the meeting of

---

Secretary

Loma Linda Redevelopment Agency

Minutes

Adjourned Regular Meeting of November 16, 2004

An Adjourned regular meeting of the Redevelopment Agency was called to order by Chairman Ziprick at 5:55 p.m., Tuesday, November 16, 2004, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:	Robert Ziprick, Chairman Stan Brauer, Vice-Chairman Floyd Petersen Karen Gaio Hansberger
Councilman Absent:	Robert Christman
Others Present:	Executive Director Dennis Halloway General Counsel Richard E. Holdaway

**CRA-2004-062- Closed Session – Conference with Legal Counsel and Real Property Negotiator  
(Government Code Section 54956.8)**

Property:	25408 Durango Loop
Negotiating parties:	Dennis Halloway, Pamela Byrnes-O'Camb, Gerard & Heather Harris
Under Negotiation:	Price and terms of payment

The Agency Board reconvened at 6:03 p.m. with all members present except Board Member Christman. General Counsel Holdaway stated that the Agency Board met with its Negotiators and gave direction. There was no final action to report.

No public participation comments were offered upon invitation of the Chair. There being no other business, the meeting adjourned at 6:04 p.m.

Approved at the meeting of

---

Secretary

PENDING AGENCY  
APPROVAL

Loma Linda Redevelopment Agency

Minutes

Regular Meeting of December 14, 2004

A regular meeting of the Redevelopment Agency was called to order by Chairman Ziprick at 6:20 p.m., Tuesday, December 14, 2004, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:	Robert Ziprick, Chairman Stan Brauer, Vice-Chairman Karen Gaio Hansberger
Councilman Absent:	Robert Christman Floyd Petersen
Others Present:	Executive Director Dennis Halloway General Counsel Richard E. Holdaway

**CRA-2004-063– Closed Session – Conference with Legal Counsel and Real Property Negotiator (Government Code Section 54956.8)**

- |    |                      |   |
|----|----------------------|---|
| a. | Property:            | APN 0283-092-32 & 18 – Approximately two (2) acres on the west side of Lind Avenue                          |
|    | Negotiating Parties: | Dennis Halloway, Pamela Byrnes-O'Camb, and Juan Carlos Castro of Century 21 All Pro representing the seller |
|    | Under Negotiation:   | Price and terms of payment  |
| b. | Property:            | 10806 Poplar Street and a 2.5 acre parcel fronting Redlands Blvd. Near Rhonda Street                        |
|    | Negotiating Parties: | Dennis R. Halloway, Shirou Kunihiro   |
|    | Under Negotiation:   | Price and terms of payment  |

The Agency Board immediately recessed to consider the closed session items as listed, and reconvened at 7:03 p.m. with all members present except Board Members Christman and Petersen. General Counsel Holdaway stated that the Agency Board met with its Negotiators and gave direction. There was no final action to report.

The Agency Board recessed to allow a City Council presentation and reconvened at 7:11 p.m. with all members present except Board Members Christman and Petersen.

**Scheduled Items**

**CC-2004-148**

**CRA-2004-064 - Joint Public Hearing of the City Council and Redevelopment Agency pertaining to the sale of properties**

- |    |   |
|----|---|
| a. | Council Bill #R-2004-55 – Authorizing a Housing Disposition Agreement between Lisa Guadan and the Agency  |
| b. | CRA Bill #R-2004-24 – Approving a Housing Disposition Agreement between Lisa Guadan and the Agency regarding 25615 Prospect Avenue  |
| c. | Council Bill #R-2004-56 – Authorizing a Housing Disposition Agreement between Lalith Sunil Egodahettia Rachigedon and Daya C. Anandagoda and the Agency regarding 25575 Prospect Avenue |
| d. | CRA Bill #R-2004-25 – Approving a Housing Disposition Agreement between Lalith Sunil Egodahettia Rachigedon and Daya C. Anandagoda and the Agency regarding 25575 Prospect Avenue       |

The public hearing was opened. Mayor Hansberger chaired the items. The City Clerk/Agency Secretary presented the reports into evidence, noting that both condominiums were subject to long-term affordability covenants; both buyers were income qualified; therefore, the sales prices were within the affordability guidelines and the long-term affordability covenants were protected. No other public testimony was offered and the public hearing was closed.

PENDING AGENCY  
APPROVAL

**Motion by Brauer, seconded by Ziprick and carried to adopt Council Bill #R-2004-55.  
Christman and Petersen absent.**

**Resolution No. 2363**

A Resolution of the City Council of the City of Loma Linda consenting to the approval by the Loma Linda Redevelopment Agency approving an Agreement for the disposition of property for affordable housing use with Lisa Guadan (25615 Prospect Avenue)

**Motion by Ziprick, seconded by Brauer and carried to adopt CRA Bill #R-2004-24.  
Christman and Petersen absent.**

**Resolution No. 231**

A Resolution of the Loma Linda Redevelopment Agency approving an Agreement for the disposition of property for affordable housing use with Lisa Guadan (25615 Prospect Avenue)

**Motion by Brauer, seconded by Ziprick and carried to adopt Council Bill #R-2004-56.  
Christman and Petersen absent.**

**Resolution No. 2364**

A Resolution of the City Council of the City of Loma Linda consenting to the approval by the Loma Linda Redevelopment Agency approving an Agreement for the disposition of property for affordable housing use with Lalith Sunil Egodahettia Hettiarachigedon and Daya C. Anandagoda (25574 Prospect Avenue)

**Motion by Ziprick, seconded by Brauer and carried to adopt CRA Bill #R-2004-25.  
Christman and Petersen absent.**

**Resolution No. 232**

A Resolution of the Loma Linda Redevelopment Agency approving an Agreement for the disposition of property for affordable housing use with Lalith Sunil Egodahettia Hettiarachigedon and Daya C. Anandagoda (25575 Prospect Avenue)

The City Council recessed at 7:15 p.m. to allow completion of the Agency Board agenda. No public participation comments were offered upon invitation of the Chair, and no conflicts of interest were noted.

**CRA-2004-065 – Items to be added or deleted**

At the request of the Executive Director, "CRA Bill #R-2004-20, authorizing the purchase and approving the Purchase Agreement and Joint Escrow Instructions for 25408 Durango Loop" was deleted.

**CRA-2004-066 – CRA Bill #R-2004-19 – Five Year Redevelopment and Housing Implementation Plan for the Project Area**

The public hearing was opened and Jack Segal of Community Advisors, Inc. presented the report into evidence, stating that state law required redevelopment agencies to adopt implementation plans every five years. The Implementation Plan was a program and policy document relating to housing affordability and capital improvements.

He elaborated that the process required production units to qualify for long-term covenants. Between 1980 and 1994, the Agency had a lack of 279 affordable units. With the direction of the Agency Board, Staff reviewed permits and it was determined that the appropriate starting figure was 216 instead of 279. The deficit of 216 equated to 87 very low, 65 low and 64 moderate units. At the close of fiscal year 2003-2004, the Agency had reduced that number to 163 units, consisting of 78 very low, 5 low and 80 moderate-income units.

The Implementation Plan provided for a 10-year reduction program to show how the Agency intended to eliminate the number of required affordable units in the three categories by December 31, 2014. Consideration must also be given to eliminating the increase in the affordable housing deficit caused by the In-Lieu Program, a program that allowed an in-lieu fee to be paid instead of construction of affordable units. The fee is then to be used to facilitate the Affordable Housing Program.

He then recommended approval of the Implementation Plan and responded to questions.

**Motion by Hansberger, seconded by Brauer and carried to adopt CRA Bill #R-2004-19. Christman and Petersen absent.**

**Resolution No. 233**

A Resolution of the Loma Linda Redevelopment Agency adopting the Five-Year Redevelopment Housing and Implementation Plan for the Loma Linda Redevelopment Project Area

**General**

**CRA-2004-067 – Authorize submittal of Agency State Controller’s Report and the Annual State Housing and Community Development (HCD) Report to the State Controller’s Office and the U. S. Bureau of Census by December 31, 2004**

Jack Segal of Community Advisors, Inc. addressed the Agency Board, stating that the filing of the subject reports relating to the Agency’s Affordable Housing Program and the activities of the Agency was required to occur within six months of the close of each fiscal year, but no later than December 31.

**Motion by Hansberger, seconded by Brauer and carried to authorize the filing of the State Controller’s Report and Annual HCD Report with the appropriate agencies by December 31, 2004.**

**CRA-2004-068 – Proposed Redevelopment Plan Amendment to add eminent domain for residential areas within the Project Area**

- a. CRA Bill #R-2004-21 – Approving the Report to Council and transmitting the document binders
- b. CRA Bill #R-2004-22 – Calling a joint public hearing on the proposed Amendment for Tuesday, January 11, 2005

Jack Segal of Community Advisors, Inc. stated that the Agency initiated an Amendment to the Redevelopment Plan to expand the Agency’s eminent domain abilities to include residentially used properties. The Amendment process included the production of a report detailing the proposed Amendment and transmitting that report to the City Council. The Agency Board was been provided with the binder that included the Report to Council. He then recommended that the Agency Board approve the Report to Council and forward the binder to the City Council.

Board Member Hansberger commented that eminent domain used in this City for residential property would be an absolute last resort when the Agency had exhausted every other means to obtain the property. Board Member Brauer concurred and supported the concept to assist the Agency in its affordable housing efforts and implementing the Redevelopment Plan.

Mr. Segal commented that the Agency has had eminent domain abilities since 1980, and has always considered it as a last resort tool.

**Motion by Hansberger, seconded by Brauer, and carried to adopt CRA Bill #R-2004-21. Christman and Petersen absent.**

**Resolution No. 234**

A Resolution of the Loma Linda Redevelopment Agency approving its Report to the City Council on the Proposed Amendment to the Redevelopment Plan for the Loma Linda Redevelopment Project and transmitting the Report and Amendment to the City Council of the City of Loma Linda

**Motion by Hansberger, seconded by Brauer and carried to adopt CRA Bill #R-2004-22. Christman and Petersen absent.**

**Resolution No. 235**

A Resolution of the Loma Linda Redevelopment Agency calling for a joint public hearing with the City Council on the proposed Redevelopment Plan Amendment

**CRA-2004-069 – Authorizing the purchase and approving the Purchase Agreement and Joint Escrow Instructions for**

- a. CRA Bill #R-2004-23 – 10777 Poplar Street (APN 0283-141-69 & 64)
- b. CRA Bill #R-2004-26 – APN 0284-142-15 (Willis Drive)

**Motion by Hansberger, seconded by Brauer to adopt CRA Bill #R-2004-23. Christman and Petersen absent.**

**Resolution No. 236**

A Resolution of the Loma Linda Redevelopment Agency approving and authorizing the execution of an Agreement for the acquisition of property from the Diocese of San Bernardino Education and Welfare Corporation (10777 Poplar Street)

**Motion by Hansberger, seconded by Brauer and carried to adopt CRA Bill #R-2004-15. Christman and Petersen absent.**

**Resolution No. 237**

A Resolution of the Loma Linda Redevelopment Agency approving and authorizing the execution of an Agreement for the acquisition of property from Martin Eskenasy (Willis Drive)

**CRA-2004-070 – Request from Grounds for Enjoyment to participate in the Store Front Rebate Program**

**Motion by Hansberger, seconded by Brauer and carried to approve the request and authorize reimbursement up to \$15,000. Christman and Petersen absent.**

The meeting adjourned at 7:32 p.m.

Approved at the meeting of

---

Secretary